

PUBLIC DISCLOSURE

JULY 21, 2003

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BROCKTON CREDIT UNION

68 LEGION PARKWAY
BROCKTON, MA 02301

DIVISION OF BANKS
ONE SOUTH STATION
BOSTON, MA 02110

<p>NOTE: This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this financial institution.</p>
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GENERAL INFORMATION

The Community Reinvestment Act (CRA) requires the Division of Banks (Division) to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **BROCKTON CREDIT UNION** prepared by the Massachusetts Division of Banks, the institution's supervisory agency, as of **JULY 21, 2003**. The Division evaluates performance in the assessment area(s), as they are defined by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The Division rates the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "Outstanding"

Brockton Credit Union was evaluated for the Community Reinvestment Act under the CRA Large Institution Examination Procedures, including an evaluation of the credit union's lending and service activities. The credit union was not evaluated on its investment activities, due to restrictions on investments by credit unions imposed by Massachusetts law.

The institution's performance as measured by the Lending and Service Tests under the Community Reinvestment Act resulted in an outstanding rating for Brockton Credit Union. The following summary highlights the results of the efforts made by the board of directors, management, and staff to meet the credit union's CRA responsibilities. The performance tests detail the credit union's performance in lending and the provision of services for the period January 1, 2001 through June 30, 2003. These two tests establish the basis for the credit union's rating.

Lending Test: The institution's lending efforts were rated under six major performance criteria: Lending Activity, Geographic Distribution, Borrower Characteristics, Innovative or Flexible Lending Practices, Loss of Affordable Housing, and Fair Lending Policies and Practices.

Brockton Credit Union's lending reflects an excellent responsiveness to its assessment area's credit needs. The credit union originated 73.9% of its HMDA reportable loans within its assessment area. The geographic distribution of HMDA reportable loans by census tracts reflects an excellent penetration throughout its assessment area. Based on the products reviewed, the lending distribution by borrower profile shows that the credit union has displayed a willingness to lend to borrowers of various income levels, especially when compared to the aggregate. The credit union utilizes flexible lending practices, to better serve the assessment area's credit needs, particularly low and moderate-income

individuals. The credit union originated three community development loans in the assessment area during this examination period.

Brockton Credit Union's Fair Lending Policies and Procedures were evaluated under the Lending Test. The credit union's performance was considered to be acceptable.

Service Test: Under the Service Test, the institution's Retail Banking Services and Community Development Services were evaluated.

Brockton Credit Union's delivery systems are readily accessible to all portions of the assessment area. The credit union's services are designed to meet the needs of the assessment area, with specific services benefiting low and moderate-income individuals. Credit union personnel meet with local community organizations to discuss the credit needs of the community, and donate their time and expertise through their volunteer efforts in a variety of public service organizations within the assessment area.

LENDING, INVESTMENT, AND SERVICE TEST TABLE

The following table indicates the performance level of **BROCKTON CREDIT UNION, Brockton, MA**, with respect to the lending and service tests.

PERFORMANCE TESTS Brockton Credit Union			
Performance Levels	Lending Test*	Investment Test	Service Test
Outstanding	X	N/A	X
High Satisfactory			
Satisfactory			
Needs to Improve			
Substantial Non-Compliance			

*Note: The Lending Test is weighed more heavily than the Service Test when arriving at an overall rating.

PERFORMANCE CONTEXT

Description of Institution

Brockton Credit Union is the second largest credit union in Massachusetts and was chartered in 1917. Membership is limited to those who reside in, work in, have a place of business or corporate office in Barnstable, Bristol, Norfolk or Plymouth counties.

As of the June 30, 2003 NCUA Quarterly Call Report, the credit union had \$1 billion in assets, 68.9 percent of which were in the form of loans. The credit union is predominantly a real estate lender, with 75.9 percent of its loan portfolio centered in residential real estate.

The following table depicts the composition of Brockton Credit Union's loan portfolio:

Loan Portfolio as of June 30, 2003		
Type of Loans	\$ (000s)	%
Residential Real Estate		
a. 1-4 Family Mortgages	460,439	63.1
b. Home Equity Lines	93,424	12.8
Auto Loans	159,529	21.9
Personal Loans	16,161	2.2
Total Gross Loans net of unearned income	729,553	100.0

Source: 6/30/03 Call Report

The credit union sells mortgage loans in the secondary market to the Federal National Mortgage Association (FNMA), the Massachusetts Housing Finance Agency (MHFA) and the Federal Housing Administration (FHA). Refer to the following for additional information.

LOANS SOLD IN THE SECONDARY MARKET								
Location	2001		2002		YTD 6/30/2003		Total	
	#	\$(000)	#	\$(000)	#	\$(000)	#	\$(000)
FNMA	255	37,556	749	108,683	1,050	154,703	2,054	298,942
MHFA	-	-	6	867	4	568	10	1,435
FHA	-	-	26	4,356	10	2,008	36	6,634
Total	255	37,556	781	113,906	1,064	157,279	2,100	308,741

Brockton Credit Union is headquartered at 68 Legion Parkway in Brockton, Massachusetts which is located in a low-income census tract. In addition, the credit union also operates full service offices in Brockton (3), and one each in Abington, Bridgewater, Canton, Easton, Middleborough, Randolph and Raynham. The credit union maintains a loan production office (LPO) located in Plymouth. The credit union also has a satellite branch located at Brockton High School.

Two of the branches located in Brockton and the freestanding Automatic Teller Machine in Taunton are located in moderate-income census tracts. All other branches and freestanding ATMs are located in either middle or upper-income census tracts. Automatic Teller Machines are available at all locations with the exception of the satellite branch at the high school and the LPO. In addition there are freestanding ATMs located in Brockton, Bridgewater, Canton, East Bridgewater, Easton, Middleborough, Stoughton, Taunton and West Bridgewater (2). The credit union is a member of the SUM Alliance.

Brockton Credit Union has competition from several financial institutions within its assessment area. These financial institutions include but are not limited to the following: Crescent Credit Union, Rockland Trust Company, Abington Savings Bank and Bridgewater Savings Bank, as well as representatives of regional and national mortgage companies. The market influence from these institutions appears to be significant, and as a result, serves to keep the credit union's rates and services competitive.

The credit union has an active CRA Committee chaired by one member of the Board of Directors and consists of the President/CEO, the Senior Vice President of Finance/CFO, the Senior Vice President of Operations, Senior Vice President of Retail Banking, the Senior Vice President of Mortgage Lending, the Senior Vice President of Human Resources, the Senior Vice President of Consumer Lending and the Senior Vice President of Marketing who is also the CRA Officer. The Committee meets quarterly and is responsible for overseeing the credit union's CRA and fair lending efforts.

The credit union has a CRA Mission Statement as well as a CRA Policy. The Mission Statement and the Policy reiterate the credit union's commitment to serving the credit needs of its assessment area including low and moderate-income areas and low and moderate-income individuals.

Market share information obtained from PCI Services, Inc. CRA WIZ, based on 2001 aggregate performance data (the most recent data available), indicates that among the 431 lenders in the assessment area, Brockton Credit Union ranks sixth with a 3.3 percent market share in loans originated within its assessment area. In addition, the credit union was ranked third with a 4.1 percent market share in lending to low and moderate-income borrowers, and third with a 5.0 percent market share in lending in low and moderate-income census tracts within its assessment area. Countrywide Home Loans held the number one position in market share of both with total loans at 5.9 % and loans to low and moderate-income borrowers at 6.3%.

Brockton Credit Union's net loan-to-share and deposit ratio for December 31, 2002 was compared to the ratios of five other area institutions. These percentages range from a low of 78.2 percent to a high of 106 percent. Brockton Credit Union's net loan-to-share ratio compares favorably to the other institutions. In order to maintain a high level of loans to deposits the credit union has established a line of credit with the Federal Home Loan Bank from which it borrows money to meet the credit needs of its members. Refer to the following table for details.

Institution	Net Loan to Share and Deposit Ratio
Brockton Credit Union	106.0%
Rockland Credit Union	96.6%
Crescent Credit Union	89.8%
Abington Savings Bank	81.8%
Rockland Trust Company	78.2%

The Massachusetts Division of Banks last conducted a CRA Examination of Brockton Credit Union on August 7, 2000. That examination resulted in a rating of "Outstanding". The credit union's ability to meet community credit needs remains strong based on the resources and size of the institution.

Description of Assessment Area

Overview

The Community Reinvestment Act (CRA) requires financial institutions to define an assessment area within which their CRA performance will be evaluated. The Office of Management and Budget establishes Metropolitan Statistical Areas (Mass) for statistical reporting purposes by federal agencies. During 2001, the credit union's assessment area contained 16 cities and towns located in the Brockton and Boston MA-NH Mass.

- Brockton MSA: the City of Brockton and the towns of Abington, Avon, Bridgewater, East Bridgewater, Easton, Middleborough, Raynham, West Bridgewater and Whitman.
- Boston MSA: the towns of Canton, Mansfield, Norton, Randolph, Sharon and Stoughton.

In January 2002, the credit union added eight municipalities to its assessment area. In the Brockton MSA, the credit union added the towns of Halifax, Hanson and Lakeville. In the Boston MSA, the credit union added the City of Taunton and the towns of Carver, Holbrook, Plymouth and Rockland.

Refer to the following for the demographics of the credit union 's assessment area for 2001, 2002 and 2003.

Assessment Area- 2001

The assessment area was comprised of 67 census tracts, of which 2 or 3.0 percent are designated as low-income; 9 or 13.4 percent, as moderate-income; 48, or 71.6 percent, as middle-income; and 8 or 12.0 percent, as upper-income. The two low-income census tracts are located in Brockton. The nine moderate-income census tracts are located in Brockton (7), and one each in Bridgewater and Middleborough.

Demographic data obtained from CRA WIZ, based on 1990 census data, indicates that the credit union 's assessment area contains a total population of 332,436 individuals. There are 119,803 housing units within the assessment area of which, 65.2 percent are owner-occupied, 30.0 percent are rental units and 4.8 percent are vacant housing units. In addition, 7.7 percent of the households in the assessment area are living below the poverty level.

The following table provides demographic and economic information pertaining to the credit union 's assessment area.

<i>Selected Housing Characteristics by Income Category of the Geography</i>							
<i>Geographic Income Category</i>	<i>Percentage</i>						<i>Median Home Value</i>
	<i>Census Tracts</i>	<i>Households</i>	<i>Housing Units</i>	<i>Owner- Occupied</i>	<i>Rental Units</i>	<i>Vacant Units</i>	
<i>Low</i>	3.0	2.2	2.5	0.6	5.7	8.1	\$117,450
<i>Moderate</i>	13.4	12.3	12.7	6.7	24.3	22.5	\$129,279
<i>Middle</i>	71.6	74.7	74.3	78.9	65.9	64.0	\$152,051
<i>Upper</i>	12.0	10.8	10.5	13.8	4.1	5.4	\$202,489
<i>Total or Median</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>\$153,555</i>

Source: 1990 U.S. Census

Assessment Area- 2002

The assessment area was comprised of 98 census tracts, of which two or 2.0 percent are designated, as low-income; 15 or 15.3 percent, as moderate-income; 72, or 73.5 percent, as middle-income; 8 or 8.2 percent, as upper-income and 1 or 1.0 percent designated as no income. The two low-income census tracts are located in Brockton. The 15 moderate-income census tracts are located in Brockton (7), Taunton (5), Bridgewater (1), Middleborough (1) and Plymouth (1). The census tract with no income designation is #6134.00 (Golf Course & State Hospital) located in Taunton.

Demographic data obtained from CRA WIZ, based on 1990 census data, indicates that the credit union 's assessment area contains a total population of 488,969 individuals. There are 181,902 housing units within the assessment area of which, 64.7 percent are owner-occupied, 28.5 percent are rental units and 6.8 percent are vacant housing units. In addition, 7.6 percent of the households in the assessment area are living below the poverty level.

The following table provides demographic and economic information pertaining to the credit union 's assessment area.

<i>Selected Housing Characteristics by Income Category of the Geography</i>							
<i>Geographic Income Category</i>	<i>Percentage</i>						<i>Median Home Value</i>
	<i>Census Tracts</i>	<i>Households</i>	<i>Housing Units</i>	<i>Owner- Occupied</i>	<i>Rental Units</i>	<i>Vacant Units</i>	
<i>Low</i>	2.0	1.5	1.6	0.5	3.9	3.8	\$117,450
<i>Moderate</i>	15.3	14.1	14.4	8.0	28.1	17.3	\$129,399
<i>Middle</i>	73.5	77.1	77.1	82.4	65.2	73.6	\$149,931
<i>Upper</i>	8.2	7.3	6.9	9.1	2.8	2.5	\$202,489
<i>N/A</i>	1.0	-	-	-	-	-	-
<i>Total or Median</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>\$150,049</i>

Source: 1990 U.S. Census

Assessment Area- 2003

The assessment area is comprised of 99 census tracts, of which 1 or 1.0 percent is designated as low-income; 19 or 19.2 percent, as moderate-income; 66, or 66.7 percent, as middle-income; 12 or 12.1 percent, as upper-income and 1 or 1.0 percent designated as no income. The low-income census tract is located in Brockton. The 19 moderate-income census tracts are located in Brockton (11), Taunton (6) and Plymouth (2). The census tract with no income designation is the Bridgewater Correctional Institution and is located in Bridgewater.

Demographic data obtained from CRA WIZ, based on 2000 census data, indicates that the credit union's assessment area contains a total population of 536,862 individuals. There are 199,766 housing units within the assessment area of which, 69.2 percent are owner-occupied 27.0 percent are rental units and 3.8 percent are vacant housing units. In addition, 7.5 percent of the households in the assessment area are living below the poverty level.

The following table provides demographic and economic information pertaining to the credit union's assessment area.

<i>Selected Housing Characteristics by Income Category of the Geography</i>							
<i>Geographic Income Category</i>	<i>Percentage</i>						<i>Median Home Value</i>
	<i>Census Tracts</i>	<i>Households</i>	<i>Housing Units</i>	<i>Owner-Occupied</i>	<i>Rental Units</i>	<i>Vacant Units</i>	
<i>Low</i>	1.0	0.5	0.6	0.0	1.9	1.3	\$150,000
<i>Moderate</i>	19.2	18.4	18.4	11.3	36.5	20.3	\$132,387
<i>Middle</i>	66.7	67.8	67.8	72.6	55.2	68.3	\$167,595
<i>Upper</i>	12.1	13.3	13.2	16.1	6.4	10.1	\$234,076
<i>N/A</i>	1.0						
<i>Total or Median</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>100.0</i>	<i>\$169,792</i>

Source: 2000 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The lending test evaluates a credit union's record of helping to meet the credit needs of its assessment area through its lending activities by considering the credit union's home mortgage and consumer lending activity. The credit union's lending performance is determined by the following factors: the volume of the credit union's loans within its assessment area, particularly to low and moderate-income borrowers and geographies; the use of innovative and flexible lending practices; fair lending policies and practices; and the efforts of the institution to assist low and moderate-income residents to remain in their neighborhoods. Based on these factors, Brockton Credit Union's lending performance receives an overall rating of "**Outstanding**". The following information details the data compiled and reviewed, as well as conclusions on the credit union's performance relative to each.

Scope of Evaluation

The lending test evaluates a credit union's record of helping to meet the credit needs of its assessment area based on an analysis of its HMDA reportable and community development loans. HMDA reportable loans originated during 2001, 2002 and year-to-date June 30, 2003 were included in the credit union's performance.

The data used to evaluate the credit union's lending was derived from the HMDA/LAR (Home Mortgage Disclosure Act/ Loan Application Register).

I. Lending Activity

Brockton Credit Union's assets totaled \$1,059,044 as of June 30, 2003. Gross loans totaled \$729,552,698 representing 75.9 percent of total assets. As of June 30, 2002, the gross loan to asset ratio was 78.7 percent. The decrease in the loan to asset ratio was due to a 13.9 percent increase in assets, over the past year, with gross loans decreasing by 0.4 percent. A large part of the decrease in the loan portfolio was also attributed to the credit union's current strategy of selling a portion of its mortgage loans in the secondary market.

HMDA Reportable Loans

For the period reviewed, Brockton Credit Union originated 5,234 HMDA reportable loans totaling \$819 million dollars. Of these loans 3,869 loans representing 73.9 percent of the total loans were originated within the assessment area. By dollar amount, these loans totaled \$572 million or 69.8 percent. It should be noted that of the loans originated within the assessment area, 3,015 or 77.9 percent were refinances and 20.0 percent were conventional home purchases.

Brockton accounted for the largest percentage of loans by number with 21.5 percent, followed by Middleborough with 6.2 percent and Easton with 4.8 percent. Brockton also

accounted for the largest dollar volume of loans with 18.5 percent, followed by Middleborough with 6.1 percent and Easton with 5.2 percent. Refer to the following tables for additional information regarding the credit union's HMDA-reportable lending, by both number and dollar volume.

<i>Distribution of HMDA Reportable Loans Inside and Outside of the Assessment Area</i>								
<i>Year</i>	<i>Inside</i>				<i>Outside</i>			
	<i>Number of Loans</i>		<i>Dollar in Loans (000s)</i>		<i>Number of Loans</i>		<i>Dollars in Loans (000s)</i>	
	<i>#</i>	<i>%</i>	<i>\$</i>	<i>%</i>	<i>#</i>	<i>%</i>	<i>\$</i>	<i>%</i>
<i>2001</i>	1,017	64.4	138,114	59.5	561	35.6	94,005	40.5
<i>2002</i>	1,585	77.3	238,673	72.8	466	22.7	89,370	27.2
<i>YTD 2003</i>	1,267	78.9	195,072	75.4	338	21.1	63,783	24.6
<i>Total</i>	<i>3,869</i>	<i>73.9</i>	<i>571,859</i>	<i>69.8</i>	<i>1,365</i>	<i>26.1</i>	<i>247,158</i>	<i>30.2</i>

Source: HMDA/LAR, CRA Wiz

In 2001, Brockton Credit Union ranked sixth in market share which is good given the highly competitive lending environment in which the credit union operates and the number of regional banks and mortgage companies operating within the assessment area. The credit union originated 1,017 loans in the assessment area giving the credit union a 3.35 percent market share.

The credit union's mortgage portfolio has grown substantially since 2000 due to mortgage interest rates, which reached near historic lows. However, mortgage rates are on the increase and the level of refinancing activity has started to decrease. During 2001, the portfolio grew by 846 loans or 115.6 percent. During 2002, the portfolio grew by 473 loans or 30.0 percent. Annualizing the year-to-date June 30, 2003, data indicates the loan growth could be approximately 1,159 loans or 56.5 percent.

Based on the above information, the credit union's distribution of residential lending reflects a good penetration inside the assessment area.

II. Geographic Distribution by Census Tract Income Level

HMDA reportable loans located within the credit union's assessment area were further analyzed to determine their location by census tract income level. Management remains committed to originating loans within the credit union's assessment area given local lending opportunities, marketing competition, product lines offered, and the credit union's operating capacity. The credit union has maintained a strong level of lending within its assessment area.

2001-2002 HMDA Reportable Loans

The table below shows the number of HMDA reportable loans in comparison to the number of owner-occupied housing units in each census tract for calendar years 2001 and 2002 based on the 1990 census data. In addition, the credit union's HMDA reportable loans were compared to that of all other HMDA reporters in the assessment area. Other HMDA reporters include bank and non-bank entities such as large national banking companies, other local banks, credit unions and mortgage companies. The most recent data available for this analysis relates to calendar year 2001. Refer to the following table for details.

Distribution of HMDA Loans by Income Category of the Census Tract								
Census Tract Income Level	% Total Owner- Occupied Housing Units	Aggregat e Lending Data (% of #)	2001		2002		Total	
			2001	#	%	#	%	#
Low	0.7	0.8	18	1.8	16	1.0	34	1.3
Moderate	6.6	7.7	114	11.2	152	9.6	266	10.2
Middle	78.9	77.1	781	76.8	1,250	78.9	2,031	78.1
Upper	13.8	14.4	104	10.2	167	10.5	271	10.4
Total	100.0	100.0	1,017	100.0	1,585	100.0	2,602	100.0

Source: 1990 U.S. Census, HMDA/LAR, and HMDA Aggregate Data

According to the above table, 1.3 percent of the credit union's total loans for the period reviewed were within low-income census tracts and 10.2 percent were within moderate-income census tracts. Lending activity exceeds the percentage of owner-occupied housing units in both tracts.

As demonstrated above, the percentage of the credit union's lending in low and moderate-income census tracts exceeds the 2001 aggregate. Brockton Credit Union's lending activity in the low-income census tracts was 1.8 percent and 11.2 percent in moderate-income census tracts as compared to the aggregate, which originated 0.8 percent in low-income census tracts and 7.7 percent in moderate-income census tracts.

In 2001, the credit union ranked third in market share for lending in low and moderate-income census tracts within its assessment area. The credit union originated 132 HMDA reportable loans in these census tracts representing 5.02 percent of the market. The number one lender was Wells Fargo Home Mortgage with 192 loans or 7.31 percent.

2003 HMDA Reportable Loans

The following table shows the number of HMDA reportable loans in comparison to the number of owner-occupied housing units in each census tract for calendar year 2003 based on the 2000 census data.

<i>Distribution of HMDA Loans by Income Category of the Census Tract</i>			
<i>Census Tract Income Level</i>	<i>% Total Owner-Occupied Housing Units</i>	<i>2003</i>	
		<i>#</i>	<i>%</i>
<i>Low</i>	0.0	1	0.1
<i>Moderate</i>	11.3	157	12.4
<i>Middle</i>	72.6	921	72.7
<i>Upper</i>	16.1	187	14.7
<i>N/A</i>	-	1	0.1
<i>Total</i>	<i>100.0</i>	<i>1,267</i>	<i>100.0</i>

Source: 2000 U.S. Census, HMDA/LAR, and HMDA Aggregate Data

According to the above table, the percentage of the credit union's total loans originated within the low and moderate-income census tracts mirrors the percentage of owner-occupied housing units in these tracts based on the 2000 census data.

Based on the above information, the credit union's distribution of HMDA reportable loans by census tract income level reflects an excellent dispersion of loans throughout the assessment area, given the strong level of competition within the assessment area. The majority of loans were originated in the middle-income census tracts, which is consistent with the composition of its assessment area.

III. Borrower Characteristics

HMDA Reportable Lending

The credit union's HMDA reportable loans were further analyzed to determine the distribution of lending by borrower income level. The borrowers' reported incomes were compared to the median family incomes for the Brockton and Boston MA-NH Metropolitan Statistical Area (MSA). These income figures are based on estimated Department of Housing and Urban Development (HUD) information. The incomes for 2001, 2002 and 2003 for the Brockton MSA are \$61,300, \$63,500 and \$70,300 respectively and for the Boston MSA \$70,000, \$74,200, and \$80,800, respectively.

Low-income is defined by the US Census Bureau as income below 50 percent of the median family income level for the MSA. Moderate-income is defined as income between 50 percent and 79 percent of the median family income level for the MSA. Middle-income is defined as income between 80 percent and 119 percent of the median income. Upper-income is defined as income equal to or greater than 120 percent of the median income.

2001-2002 HMDA Reportable Loans

The following table shows the number of HMDA-reportable loans granted to low, moderate, middle and upper-income borrowers in comparison to the number of households in the assessment area in each respective income group based on 1990 census data. In addition, the distribution of the credit union's loans among various borrower income levels was compared to that of all other HMDA reporting lenders in the assessment area. The most recent data available for this analysis is for calendar year 2001. Refer to the following table for details.

Distribution of HMDA Reportable Loans by Borrower Income								
Median Family Income Level	% Total Households	Aggregate Lending Data (% of #)	2001		2002		Total	
			2001	#	%	#	%	#
Low	23.0	3.4	52	5.1	89	5.6	141	5.4
Moderate	15.5	16.8	204	20.1	326	20.6	530	20.4
Middle	21.8	26.8	343	33.7	544	34.3	887	34.1
Upper	39.7	35.7	404	39.7	603	38.0	1,007	38.7
N/A	-	17.3	14	1.4	23	1.5	37	1.4
Total	100.0	100.0	1,017	100.0	1,585	100.0	2,602	100.0

Source: 1990 U.S. Census, HMDA/LAR, and HMDA Aggregate Data

Brockton Credit Union extended 141 loans to low-income borrowers representing 5.4 percent of the total loans originated within the assessment area. This is well below the

23.0 percent of low-income households within the assessment area. However, this can be attributed, in part, to the fact that approximately 7.7% of these individuals are living below the poverty level making it difficult to generate loans to these households.

Brockton Credit Union originated 530 loans to moderate-income borrowers, representing 20.4 percent of the total originations within the assessment area. This percentage exceeds the 15.5 percent of moderate-income households within the assessment area. The low interest rate environment helped many individuals in this income category purchase a home, which may have been virtually impossible in the past.

As shown above, the credit union's percentage of loans to low and moderate-income borrowers exceeded that of the aggregate in 2001. The credit union originated 5.1 percent of its loans to low-income borrowers, compared to the aggregate with 3.4 percent. The credit union's level of loans to moderate-income borrowers accounted for 20.1 percent as compared to 16.8 percent by the aggregate.

The credit union ranked third in market share in lending to low and moderate-income individuals in the assessment area in 2001. The credit union originated 256 loans to low and moderate-income borrowers capturing 4.2 percent of the market. The number one lender to low and moderate-income borrowers was Countrywide Home Loans with 6.3 percent.

2003 HMDA Reportable Loans

The following table shows the number of HMDA reportable loans in comparison to the number of households in each census tract for the period January 1, 2003 to June 30, 2003 based on 2000 census data.

<i>Distribution of HMDA Reportable Loans by Borrower Income</i>			
<i>Median Family Income Level</i>	<i>% Total Households</i>	<i>YTD 2003</i>	
		<i>#</i>	<i>%</i>
<i>Low</i>	22.8	104	8.2
<i>Moderate</i>	16.0	317	25.0
<i>Middle</i>	20.6	446	35.2
<i>Upper</i>	40.6	395	31.2
<i>N/A</i>	-	5	0.4
<i>Total</i>	100.0	1,267	100.0

Source: 2000 U.S. Census, HMDA/LAR, and HMDA Aggregate Data

The distribution of HMDA reportable loans by borrower income demonstrates the credit union's willingness to lend to borrowers of all income levels, including those of low and moderate income and reflects an excellent performance.

IV. Community Development Lending

Community development activities include providing affordable housing for low and moderate-income individuals, promoting activities for economic development by financing small businesses, and lending that revitalizes or stabilizes low or moderate-income geographies. A community development loan is a loan that:

- Has as its primary purpose community development
- Has not been reported or collected by the credit union or an affiliate for consideration in the credit union's assessment area as a home mortgage, small farm, or consumer loan, unless it is a multi-family dwelling loan; and
- Benefits the credit union's assessment area or a broader statewide or regional area that includes the assessment area.

Brockton Credit Union has granted three community development loans for \$330,000.

Brockton Housing Authority Youthbuild Program

In June 2001, Brockton Credit Union provided a construction loan for \$85,000 and in 2002 granted an \$80,000 loan to the organization for the purpose of building affordable housing for low and moderate-income individuals. The purpose of the program is to provide supportive services and assistance for youth trainees who will be enrolled in this program. The trainees are public housing residents, who under the guidance from the Brockton Housing Authority will receive outreach and recruitment assistance, learning, training, and education classes on home construction. Once the home is complete, the house is sold to a low or moderate-income family and the sale of the house secures the loan.

Brockton Family Life Center

In April 2002, the credit union, in conjunction with eight other financial institutions and the Federal Home Loan Bank of Boston, the South Shore Housing Development Corporation (project sponsor) and Brockton Family Life Center, Inc (project owner) entered into an Affordable Housing Program Agreement for Rental Project. This project is for the construction of a 13 unit affordable rental housing complex having seven 3-bedroom units and six two-bedroom units. In addition there will be a conference room and two counselors' offices on site. The apartments are specifically designed to serve homeless families and their children. The credit union's portion of the loan was \$165,000. The project is complete and the center was opened on August 5, 2003.

V. Innovative or Flexible Lending Practices

Brockton Credit Union designs and participates in loan programs aimed at meeting the credit needs of low and moderate-income homebuyers. Details of these programs are as follows.

Mortgage Loan Programs

The “Teacher Next Door” Program

The “Teacher Next Door” Program was introduced in the winter of 2000 in cooperation with the Brockton Housing Partnership. This program is the second phase of the Buy Brockton Program. Eight million dollars in competitively low rate funding, reduced closing costs, and other financial discounts will be offered to Brockton Public School teachers buying owner-occupied property in the city. The eight participating financial institutions will each provide one million dollars to fund the program. Highlights of the program include a 30 year fixed-rate mortgage set at the 60 day FNMA AA rate, with no points. The lender will set all underwriting guidelines. The use of HOME funds as the source of downpayment and closing costs is allowed and encouraged. In 2001, the credit union originated three loans totaling \$336,626. In 2002, Brockton Credit Union originated four loans totaling \$752,800 and the credit union reached its commitment.

First Time Homebuyer

Brockton Credit Union offers its members a first time homebuyer program, which features reduced closing costs which include the appraisal, credit report, plot plan, legal and recording, tax service, and flood determination. The Credit Union uses greater flexibility ratios when underwriting these loans and will take more factors into consideration. In 2001, the credit union originated 167 loans totaling \$27,077,818. In 2002, the credit union originated 107 loans totaling \$18,218,917 and year-to-date June 30, 2003, the credit union originated 44 loans totaling \$8,683,485.

Government-Sponsored Loan Programs

Massachusetts Housing Finance Agency (MHFA)

This program features below market interest rates for lower income borrowers. The program is limited to first time homebuyers with specific income and purchase price limits targeting low-income individuals. The program features relaxed underwriting guidelines and reduced downpayment requirements. All mortgages are underwritten in accordance with MHFA underwriting guidelines. In 2001, the credit union originated fourteen loans for \$1,834,730. In 2002, the credit union originated seven loans totaling \$973,610 and year-to-date June 30, 2003, the credit union originated four loans totaling \$567,550.

Federal Housing Administration (FHA)

Brockton Credit Union participates in FHA loan program. This program is administered by The Department of Housing and Urban Development (HUD) which administers various single family mortgage programs. There are no income restrictions and lending terms include flexible qualifying ratios. The FHA program also offers closing cost financing. During 2001, 35 loans totaling \$5,487,000 were originated. In 2002, the credit union originated 22 loans totaling \$3,371,599 and year-to-date June 30, 2003, 10 loans totaling \$2,008,486 were originated.

VI. Fair Lending Policies and Practices

Brockton Credit Union has developed a detailed fair lending policy statement. The credit union's fair lending policy states that it will aggressively detect and eliminate discrimination in lending. The credit union's fair lending activities were reviewed to determine how they relate to the guidelines established by Regulatory Bulletin 2.3-101, the Division's Community Reinvestment and Fair Lending Policy.

Credit union management ascertains the credit needs of the assessment area through their involvement in numerous area organizations and programs. The credit union markets its services and products to the community through a variety of media including print, television, and radio which includes Cape Verdean, Haitian and Hispanic speaking stations. In addition, the credit union participates in and/or conducts numerous educational seminars throughout the assessment area in order to make potential customers aware of the services the credit union provides. In addition, the credit union has 56 employees who speak 15 different languages.

The credit union has established a formal second review practice where a loan officer reviews each denied residential mortgage application a second time. The President & CEO or the Senior Vice President of Residential Lending reviews denied minority loan applications a third time. A sample of all consumer loan denials are also reviewed on a monthly basis to ensure that applicants are being treated fairly and that denials are being issued in accordance with the credit union's consumer loan underwriting policies.

The CRA Officer conducts an annual in-depth loan analysis of its HMDA data and presents it to Senior Management and the Board of Directors. This analysis includes comparisons of borrower income, census tract penetration, minority application flow and peer analysis.

2001-2002 Minority Application Flow (based on 1990 census data)

Brockton Credit Union's assessment area contains 488,969 individuals, 42,000 or 8.6 percent of whom are minorities. The assessment area's minority population is 0.2 percent Native American, 1.3 percent Asian, 4.1 percent Black, 2.2 percent Hispanic and 0.8 percent Other Race.

A review of residential loan applications received during the period under review was conducted in order to determine the number of applications received from minorities. The credit union received 2,856 residential loan applications from within its assessment area. Of these, 440 applications or 15.4 percent were received from minorities and 353 or 80.2 percent were approved. Refer to the following table for further details.

MINORITY APPLICATION FLOW*								
RACE	AGGREGATE DATA 2001		Brockton Credit Union 2001		Brockton Credit Union 2002		Brockton Credit Union TOTAL	
	#	%	#	%	#	%	#	%
<i>Native American</i>	149	0.4	1	0.1	1	0.1	2	0.1
<i>Asian</i>	782	1.9	10	0.9	17	1.0	27	1.0
<i>Black</i>	2,324	5.5	66	5.8	84	4.9	150	5.3
<i>Hispanic</i>	748	1.8	25	2.2	30	1.7	55	1.9
<i>Joint Race</i>	465	1.1	15	1.3	24	1.4	39	1.4
<i>Other</i>	649	1.5	80	7.1	87	5.0	167	5.7
Total Minority	5,117	12.2	197	17.4	243	14.1	440	15.4
<i>White</i>	22,641	54.0	934	82.6	1,482	85.9	2,416	84.6
<i>NA</i>	14,206	33.8	0	0.0	0	0.0	0	0.0
Total	41,964	100.0	1,131	100.0	1,725	100.0	2,856	100.0

*Source: PCI Services, Inc., CRA Wiz Software.

The credit union's minority application flow mirrors the racial composition of its assessment area for all applicants. In addition, the credit union's minority application flow when compared to other lenders within the assessment area is equivalent to the aggregate for the year 2001 in all races except Other, where the credit union received substantially more applications by percentage. It should be noted that 33.8 percent of the applications received by the aggregate were N/A. This may skew the percentage of applications received from minorities and non-minorities.

2003 Minority Application Flow (based on 2000 census data)

Brockton Credit Union's assessment area contains 536,862 individuals, 80,887 or 15.1 percent of whom are minorities. The assessment area's minority population is 0.2 percent Native American, 1.9 percent Asian, 5.7 percent Black, 2.9 percent Hispanic and 4.4 percent Other Race.

A review of residential loan applications was conducted in order to determine the number of applications the credit union received from minorities. The credit union received 1,354 residential loan applications from within its assessment area. Of these, 158 applications or 11.7 percent were received from minorities and 135 or 85.4 percent were approved. Refer to the following table for further details.

MINORITY APPLICATION FLOW*		
RACE	Brockton Credit Union 2003	
	#	%
<i>Native American</i>	1	0.1
<i>Asian</i>	12	0.9
<i>Black</i>	42	3.1
<i>Hispanic</i>	12	0.9
<i>Joint</i>	19	1.4
<i>Other</i>	72	5.3
Total Minority	158	11.7
<i>White</i>	1,196	88.3
Total	1,354	100.0

*Source: PCI Services, Inc., CRA Wiz Software.

The credit union's minority population has grown by 92.6 percent from the 1990 census to the 2000 census.

VII. Loss of Affordable Housing

The credit union offers innovative and flexible credit products that are designed to make home ownership possible for existing low and moderate-income residents to remain in their neighborhoods.

CONCLUSION (Lending Test)

Taking into account the number and amount of home mortgage loans in its assessment area, Brockton Credit Union has demonstrated an exceptional responsiveness to the assessment area's credit needs. A majority of the credit union's loans are made within its assessment area and are well distributed throughout the communities within the assessment area. The credit union's lending also demonstrates an excellent distribution of loans among individuals of different income levels. The institution has granted a reasonable level of community development loans, and participates in a variety of flexible-lending programs to address the credit needs of low and moderate-income individuals. In addition, the credit union's fair lending performance was found to be satisfactory at this time. Overall, the institution's lending performance receives a rating of Outstanding.

SERVICE TEST

The Service Test evaluates an institution's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of an institution's systems for delivering retail banking services and the extent and innovativeness of its community development services. The following describes the institution's services.

Retail Banking Services

The credit union operates eleven full service offices, a satellite branch located at Brockton High School and one loan production office. The main office is located in the center of downtown Brockton that is designated as a low-income census tract. Two of the remaining three Brockton offices are located in moderate-income census tracts. The third Brockton office and the Abington, Canton, Randolph, Raynham and Middleborough offices, as well as the satellite branch, are located in middle-income census tracts. The Easton and Bridgewater offices are located in upper-income census tracts. The loan production office is located in a middle-income census tract.

The credit union's systems for delivering retail-banking services are readily available to geographies and individuals of all income levels throughout its assessment area. Totally free checking and savings products are offered and customers may access account information via telephone, 24 hours per day, seven days a week, in addition to access via the Internet with bill payment option. The credit union's loan by phone allows customers to apply for a loan over the phone anytime, anyplace. In addition, the credit union offers free bank-by-mail service.

Branch business hours vary and are considered convenient and the services of the credit union appear sufficient to meet the needs of the assessment area. The hours of operation are competitive and accessible to all members. Each branch office has extended business hours on Thursday and Friday evenings with the exception of the main office and the Brockton High School office. Drive-ups are located at all branch locations with the exception of the Brockton High School offices, which offer extended hours. All branch offices are open on Saturday morning with the exception of the Brockton High School office. In addition, all branch offices have Automated Teller Machines (ATMs) with the exception of the Brockton High School office. The credit union has eight free standing ATMs located throughout its assessment area. All of the credit union's ATMs are linked to the "NYCE" "Plus", "Discover", "MasterCard", "Visa", "American Express", "Honor" and "Pulse" networks. The credit union is a member of the SUM Alliance, therefore, ATM surcharges are not charged to anyone who uses the credit union's ATMs with the exception of the ATMs located in Brockton. For these ATMs there is a one-dollar surcharge for any foreign ATM card.

The credit union employs individuals who speak second and third languages to ensure accessibility to credit union services for non-English speaking members within the assessment area. Collectively, 56 of the credit union's employees are capable of

communicating in 15 foreign languages such as, Africaans, Cantonese, French, French Creole (Haitian), Italian, Portuguese, Portuguese Creole (Cape Verdean), Spanish, and Yiddish. A directory of these employees is maintained in the credit union's public comment file. In addition, printed brochures are available in four languages other than English to inform members of this service along with billboards located in the credit union lobbies. As a result of its efforts, the credit union is able to provide better service to its members of different ethnic backgrounds throughout its assessment area.

Mortgage applications are taken at all retail offices and are forwarded to the mortgage department for review. The credit union uses a credit scoring system to evaluate consumer loan requests. If the loan applicant's credit score is within the credit union's guidelines, the branch manager has the authority to underwrite such loans without prior approval of the consumer lending staff. Conversely, if the loan applicant's credit score is not within the credit union's guidelines, the application is then forwarded to the consumer loan department for further review.

Branch Opening and Closing Policy

The credit union maintains a Branch Opening and Closing Policy, which outlines the credit union's procedures for establishing and closing branches. The policy meets regulatory requirements concerning branch closing notification and policies. Since the last examination the credit union opened three branches in 2001, one each in Bridgewater, Middleborough and Raynham. In addition, a new loan production office (LPO) was opened in Plymouth. Because of the opening of new branches, the credit union closed its LPOs located in East Bridgewater and Middleborough.

Totally Free Checking

The credit union offers a totally free checking account with no monthly fees and no minimum balance requirements. The credit union also offers a basic savings account with no monthly fees and a \$5.00 minimum balance requirement.

Community Development Services

The CRA regulation defines a community development service as a service whose primary purpose is community development and is related to the provision of financial services. Through the participation of the directors, management and employees the credit union is involved in providing support to local community development programs and projects. Through these involvements, the credit union's staff lends their technical expertise, experience and judgment to these organizations. Detailed below is a sample of Brockton Credit Union's outstanding performance in community development services.

Home Buying Counselors (HUD Grant)

Brockton Credit Union has applied for a HUD grant through the National Credit Union Foundation. If approved, the grant will provide funding for two Home Buying Counselors, one to provide education to Section 8 voucher recipients of the Brockton Housing Authority, the second for education to the city as a whole.

Minority Business Development Officer

The credit union employs two Minority Business Development Officers to serve the culturally diverse population of the City of Brockton. The current Minority Business Development Officers understand several foreign languages and dialects spoken in the assessment area.

For the period under review, the Minority Business Development Officers conducted several first time homebuyer seminars and/or information sessions at centers and churches frequented by minority groups and through radio and community television programs in the native languages of the linguistic minority groups of the greater Brockton area. These seminars and /or information sessions, which are developed with input from the particular group's organizations, are always conducted with the assistance of brokers, home inspectors, credit specialists and closing attorneys.

The Minority Business Development Officers collaborates with Brockton Community Corporation, Brockton Housing Partnership, and Brockton Neighbors United to put together and direct MFHA approved seminars and/or information sessions in English. The Minority Business Development Officers and other linguistic minority community leaders act as interpreters for the linguistic minority individuals attending these seminars/sessions. Some of these seminars/sessions were conducted at Brockton High School, Brockton Housing Authority facilities, San Martin de Porres/Latino Center, Cape Verdean Association, at Brockton 21st Century Corporation and at Pro-Home, in Taunton.

The Minority Business Development Officers' efforts are complemented with individual sessions for members of the community through the following:

- Clarifying credit discrepancies and helping develop applicants' non-traditional credit histories.
- Advising individuals and families on ways to better utilize banking services.
- Assisting these individuals filling out their mortgage, car, personal or other loan applications and advising them of all of the existing special loan programs available (MFHA, FHA, and other local, federal and state programs) designed to help first time home buyers and low income individuals attain home ownership.

- Assist the credit union staff to better communicate and serve the members of the linguistic communities.
- Advising, and acting in a referral capacity, to serve prospective small business entrepreneurs from the minority communities in light of the current State and Federal regulations that don't allow the credit unions to offer loan programs to small businesses.

In addition the Minority Business Development Officers have worked with the Bilingual Resource Center at Brockton High School and conducted annual classes on the basics of personal finance. On average, approximately 55 students have been attending the "Fundamentals of Personal Finance" seminars which included sessions on banking, that cover opening and keeping a checking account, the importance of a maintaining a good credit record, and buying a home. These seminars are followed by two school trips to the credit union's facilities in Randolph, MA where the students learn the principles of business, with topics such as the interview process (from school admission as well as for jobs) and fundamentals of resume preparation.

These officers serve on the board of directors of the Cape Verdean Association of Brockton.

Old Colony United Way: The credit union has played a role in supporting this entity. The organization offers community services targeted to low and moderate-income individuals. Approximately 80 to 90% (estimated) of funds are directed to low and moderate-income individuals. The credit union's Senior Vice President and an employee serve on the Board of Directors. The Randolph Branch Manager serves on the allocation committee.

Brockton Housing Partnership

Brockton Credit Union was one of the founding members of the Brockton Housing Partnership (BHP), a consortium of 11 financial institutions participating in the residential mortgage market in the City of Brockton. BHP was created to address the housing needs of residents of the city of Brockton, many of whom are of low and moderate income. The BHP works closely with the Brockton Community Corporation (a non-profit Community Development Corporation), the City of Brockton, the Brockton Redevelopment Authority (BRA), the Brockton Housing Authority (BHA), and numerous state and federal agencies and several non profits, all collaborating to promote the expansion of affordable housing in the City of Brockton.

Several senior staff members of the Brockton Credit Union are actively involved in the management of the Brockton Housing Partnership. The credit union's President and CEO serves in an advisory role on the BHP's Planning Committee; the Senior Vice President of Mortgage Lending is also a member of the Board of Directors and the Residential/Marketing Committee as well as the "Credit for Life" Fair subcommittee; while the credit union's Senior Vice President of Marketing is the Chairman of the Board and the Chairman of the "Credit for Life" Fair subcommittee.

Old Colony YMCA: This organization operates in a moderate-income geography within the City of Brockton and provides significant outreach and support programs for low-and moderate-income individuals. Several members of Brockton Credit Union contribute to this organization including the President/CEO serving on the Fund-raising Investment Committee. The credit union's Chief Financial Officer is the Vice Chairman of Fund Raising. The Vice President/Human Resources serves on the Human Resource Committee and the Assistant Branch Administrator serves as a volunteer.

Credit for Life Fair

The credit union's Senior Vice President of Marketing and CRA Officer was instrumental in bringing the "Credit for Life" Fair to Brockton in 2001 and serves as its current Chairperson. The Fair, which was created by Consumer Credit Counseling Services of Southern New England, is a program designed to educate high school students in the basics of personal finance. Various local, state, and federal groups, organizations and financial institutions sponsor the fair, held annually in April. The students learn the basics of housing, employment, transportation, insurance and credit that they will need to apply in the future. Professionals from many local businesses and agencies are on hand to provide advice.

The Randolph Banking Collaborative

The credit union offered several first time homebuyer seminars in the Town of Randolph in conjunction with the Randolph Banking Collaborative and Quincy Community Action (more recently Quincy Neighborhood Housing Services). Seminars were held in April, July and October 2001, May and November 2002, and in April 2003. The credit union is one of the founding members of the Randolph Banking Collaborative, an association of five area financial institutions, whose purpose is to promote home ownership and make low and moderate-income residents aware of available credit. Brockton Credit Union's Senior Vice President of Marketing and a mortgage originator serve as members of the collaborative. In addition the Collaborative held Finance Literacy Workshops at Avon High School on March 19, 2003 and Randolph High School During three days in May and June 2001, 2002 and 2003.

School Branch

Brockton Credit Union established one of the first high school branches in the Commonwealth more than 18 years ago located at Brockton High School. Many students have gained practical experience through their involvement with the branch's daily operations and an education in financial responsibility including the proper use of credit. In addition, the branch continues to be a viable source of employment at the credit union.

Dora Maxwell Award

In October 2002, the credit union received the state and national level Dora Maxwell Award, for credit unions with more than \$200 million in assets, from the Credit Union National Association (CUNA). This award was created to encourage and honor credit union involvement in community projects and activities.

CONCLUSION (Service Test)

As depicted above, officers and employees of Brockton Credit Union have taken a leadership role and demonstrated a high level of service activities primarily for community development purposes and related to the provision of financial services. Therefore, Brockton Credit Union's service activities receive a rating of outstanding.

INVESTMENT TEST

In accordance with 209 CMR 46.23 credit unions will not be evaluated under the investment test except as provided under 209 CMR 46.61 (6)(c), which states in part "In assessing whether a credit union's performance is "high satisfactory" or "outstanding" the Commissioner will also consider the credit union's performance in making qualified investments and community development loans to the extent authorized under law" Therefore the credit unions' investments, specifically its charitable contributions, were considered , inasmuch as they support the overall rating of outstanding.

Contributions

The credit union's qualified contributions were noteworthy The credit union contributed \$239,307 to groups and organizations that provide education and training, affordable housing, youth programs, and health and human services for individuals in need for the period under review. A sample of those groups and organizations include: Boys and Girls Club of Brockton, Old Colony YMCA, Old Colony Hospice, Old Colony United Way, Brockton Visiting Nurses, Brockton Housing Partnership, and Caritas Good Samaritan Hospital.

APPENDIX A

SCOPE OF EXAMINATION

Brockton Credit Union has one assessment area, which was reviewed using the CRA examination procedures for large institutions.

The CRA evaluation included HMDA reportable loans. The time period used for HMDA reportable loans was January 1, 2001 to June 30, 2003.

Qualified contributions were reviewed and included as part of this examination.

In addition, the credit union's systems for delivering retail banking services and the provision of community development services were considered.

Brockton Credit Union has branch locations in the Brockton and Boston MA-NH Metropolitan Statistical Areas (MSAs)

Internal analysis generated by management was reviewed during the examination, as was comparative data for the assessment area obtained from CRA WIZ. The examination also included a review of the credit union's Public File, which contained no negative CRA-related comments.

APPENDIX B

METROPOLITAN STATISTICAL AREAS

I. Brockton MSA

A. Credit Union Operations and Performance Context

The Brockton MSA portion of the assessment area contains the credit union's main office in Brockton. In addition, there are five branch offices located in this MSA, three in Brockton, one each in Abington and Easton, Bridgewater, Middleborough, Raynham, a satellite branch in Brockton High School, and seven free standing ATMs, two in West Bridgewater and one each in Brockton, East Bridgewater, Bridgewater, Easton and Middleborough.

The Brockton MSA portion of the assessment area contains 50 of the 99 census tracts in the assessment area. This portion of the assessment area has a population of 252,822 and 87,789 households. Of these, 23.5% are low-income, 15.7% moderate-income, 20.6% middle-income, and 40.2% upper-income. Of the 50 census tracts, one is low-income, 11 are moderate income, 32 are middle income, five are upper income and one has no income designation. The low-income tract and all the moderate-income tracts are located in Brockton.

B. Conclusions with Respect to Performance Tests

The portion of mortgage loans originated and purchased by the credit union in the Brockton MSA portion of the assessment area represents 75.8% of the number and 72.9% of the dollar volume of all loans inside its assessment area.

II. Boston MSA

A. Credit Union Operations and Performance Context

The Boston MSA portion of the assessment area contains two of the credit union's offices located in Canton and Randolph, a loan production office in Plymouth and a freestanding ATM machine in Taunton.

This portion of the assessment area has a population of 284,040 and 104,546 households. Of these, 22.3% are low-income, 16.2% are moderate-income, 20.6% middle-income, and 40.9% upper-income. The Boston portion of the assessment area contains a 49 of the 99 census tracts. Eight are moderate-income, 34 are middle-income and seven are upper-income. Six of the moderate-income tracts are located in Taunton and two are located in Plymouth.

B. Conclusions with Respect to Performance Tests

The portion of HMDA reportable loans originated and purchased by the credit union in the Boston MSA portion of the assessment area represents 24.2% of the number and 27.1% of the dollar volume of all loans inside its assessment area.

THE COMMONWEALTH OF MASSACHUSETTS

To the COMMISSIONER OF BANKS:

THIS IS TO CERTIFY, that the report of examination of the

BROCKTON CREDIT UNION

for compliance with applicable consumer and fair lending rules and regulations and the Community Reinvestment Act (CRA), as of the close of business **JULY 21, 2003**, has been read to or by the undersigned and the matters referred to therein will have our immediate attention.

_____	_____
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A majority of the Board of Directors/Trustees

Dated at _____ this _____ day of _____ 20 ____

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (Address at main office)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee, which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.